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Success in Globalized Economy Requires New Attitude

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Success in globalized economy requires new attitude

Editor's note: Part One of this two article series presents a brief look at why the U.S. is a "late adopter" when it comes to seeing and seizing the economic opportunities offered through globalization. Part Two, coming in the next issue of BiS, will propose a new mindset that will better prepare U.S. citizens and companies for success in the new global marketplace.

In its most recent measurement of global attitudes regarding trade, the Pew Research Center, as part of their Global Attitudes Report, found that 67 percent of people in the U.S. thought "trade and business ties" are either "very good" or "somewhat good" for the country.



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While many would think that two-thirds support is fairly strong, the U.S. came in dead last in positive overall attitudes toward trade among the 21 nations included in

the report. When you look at only those who feel trade is "very good" for the country, slightly less than one in five people in the U.S. fell into this category.

What this means is that compared to our global trading partners, the United States is quite ambivalent about the value and role of international trade in our economy. It's as if our national mindset regarding trade has not caught up with the reality of the globalized economy.

In other words, even though we enjoy a standard of living greatly improved by inexpensive and diverse products sourced from abroad and even though increasing numbers of U.S. companies are succeeding largely due to global trade, we remain defensive rather than offensive in our thinking about whether trade represents a threat or an opportunity.

And because the American people are undecided about trade, those who should be leading educational and economic initiatives related to trade, those

who should know what is at stake if we do not better prepare our citizenry for global competition (i.e. politicians), are staying away from trade-related discussions en masse.

The reasons for U.S. obstinacy regarding acceptance of globalization of the economy are many.

1. The U.S. has always had a strong isolationist philosophical bent. Most early U.S. colonists who came to the New World voluntarily were escaping some form of entanglements in Europe ... religious persecution, forced service in military adventures/misadventures, ethnic strife, economic servitude. Today we remain suspicious of all things international.

2. Our large size (land mass and population) and abundant natural resources lessen our need for developing foreign sources of supply and demand.

3. Our relative geographic isolation means most Americans have not had much experience dealing with foreign cultures.

4. The dominance of our

economic, cultural and military might produces a form of ethnocentrism, a sense of superiority and righteousness, perhaps as strong as any encountered in the world. We are just not that interested in the rest of the world.

5. Our educational system has failed to impart the geographical, historical and language fluencies that are necessary for success in international markets. One example: How many U.S. citizens are conversationally fluent in any second language despite mandatory foreign language training in most high schools?

6. There are well-organized and highly vocal opponents of economic globalization in both of the major political parties. This is one area where those on both the hard left and right agree. Organized labor, environmentalists, cultural and economic isolationists all oppose globalization.

7. There is a meme — an idea shared and spread among a population that has persistence regardless of its basis in fact — promulgated by the mainstream

U.S. media that coverage of international trade issues sells when the news is negative.

Stories of job losses, outsourcing, environmental degradation due to trade, labor exploitation, and so on are the norm in the press. Somehow the success of U.S. companies in foreign markets is never as appealing.

As a result, many people in the U.S. only experience fear and anxiety related to "all things global." What we do not understand tends to scare us, and this fear gets in the way of people seeing globalization as an opportunity that the U.S. is actually well prepared to seize.

In Part Two of this series, I will offer one perspective on how a new mindset might better prepare us to compete in the globalized economy.

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